

**§ 105-449.98. Duties of supplier concerning payments by distributors, exporters, and importers.**

(a) As Fiduciary. – A supplier has a fiduciary duty to remit to the Secretary the amount of tax paid to the supplier by a licensed distributor, licensed exporter, or licensed importer. A supplier is liable for taxes paid to the supplier by a licensed distributor, licensed exporter, or licensed importer.

(b) Notice of Fuel Received. – A supplier must notify a licensed distributor, a licensed exporter, or a licensed importer that received motor fuel from the supplier during a reporting period of the number of taxable gallons received. The supplier must give this notice after the end of each reporting period and before the licensee must remit to the supplier the amount of tax due on the fuel.

(c) Notice to Department. – A supplier of motor fuel at a terminal must notify the Department within 10 business days after a return is due of any licensed distributors, licensed exporters, or licensed importers that did not pay the tax due the supplier when the supplier filed the return. The notice must be transmitted to the Department in the form required by the Department.

(d) Payment Application. – A supplier that receives a payment of tax from a licensed distributor, a licensed exporter, or a licensed importer may not apply the payment to a debt that person owes the supplier for motor fuel purchased from the supplier. (1995, c. 390, s. 3; 1995 (Reg. Sess., 1996), c. 647, s. 33; 1997-60, s. 16; 2017-204, s. 4.5(j).)